

Counseling widows. A nonprofit organization formed to provide individual and group counseling to widows to assist them in legal, financial, and emotional problems caused by the death of their husbands and that provides the widows with information on available benefits and services is considered to be operated exclusively for educational purposes and qualifies for exemption under section 501(c)(3) of the Code.

Advice has been requested whether the nonprofit organization described below, which otherwise qualifies for exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954, is operated exclusively for educational purposes.

The organization was formed to provide individual and group counseling to widows in order to assist them in overcoming the legal, financial, and emotional problems caused by death of their husbands. Counseling is provided in areas such as mental health, career development, single parenting, estate settlement, financial independence, and social adjustment.

The organization helps widows obtain Federal and State benefits that may be available, and keeps them informed of community services that are available. It assures that someone is on call to counsel widows during periods of grief and arranges group discussions so that widows can discuss their common problems.

The organization publishes a list of names and address of other widows and widowers in the area who can be called on for assistance, and maintains a library of information written specifically for widows.

Financial support for the organization is derived from contributions from the general public and fees charged for services. The fees are based on the ability of the widow to pay.

Section 501(c)(3) of the Code provides for the exemption from Federal income tax of organizations organized and operated exclusively for educational purposes.

Section 1.501(c)(3)-1(d)(3) of the Income Tax Regulations defines the term 'educational' as including the instruction of the public on subjects useful to the individual and beneficial to the community.

Rev. Rul. 74-595, 1974-2 C.B. 164, holds that an organization that provides free counseling to men concerning methods of voluntary sterilization qualifies for exemption under section 501(c)(3) of the Code as an educational organization. In addition, personal counseling has been recognized in a number of other rulings as a valid method of instruction for educational organizations. See Rev. Rul. 73-569, 1973-2 C.B. 178 (counseling

women on unwanted pregnancies); Rev. Rul. 70-640, 1970-2 C.B. 117 (marriage counseling); and Rev. Rul. 68-71, 1968-1 C.B. 249 (vocational counseling).

By providing the personal counseling described above, the organization is instructing the public on subjects useful to the individual and beneficial to the community.

Accordingly, the organization is operated exclusively for educational purposes and thus qualifies for exemption under section 501(c)(3) of the Code.

Even though an organization considers itself within the scope of this Revenue Ruling, it must file an application on Form 1023, Application for Recognition of Exemption, in order to be recognized by the Service as exempt under section 501(c)(3) of the Code. The application should be filed with the District Director of Internal Revenue for the key District indicated in the instructions to Form 1023. See sections 1.501(a)-1 and 1.508-1(a) of the regulations.